

**United States Bankruptcy Court
for the District of Oregon**

Frank R. Alley, III, Judge
Barbara D. Ivey, Judicial Assistant
Lee D. Brice, Law Clerk



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January 26, 2009

Mr. William Dames
P.O. Box 759
Medford, OR 97501

Mr. David Mills
115 West 8th Ave. #280
Eugene, OR 97401

Re: In re Donald and Cynthia Lynch, 08-63968-fra7

Dear Counsel:

Debtors have moved to dismiss their chapter 7 bankruptcy case, indicating that their primary motive was to discharge possible deficiency judgments relating to their foreclosed California property. Because they have been advised that a deficiency judgment is not possible under California law with respect to their property, they no longer require the benefit of a bankruptcy discharge.

The chapter 7 Trustee has filed an objection to Debtors' motion to dismiss, indicating that he has taken possession of a motorcycle with an estimated value of \$10,000 and is seeking a turnover of a pickup truck which has also been identified as property of the estate. In addition to a scheduled claim of \$275,000 (apparently the previously anticipated deficiency judgements), the debtors have scheduled more than \$50,000 of other claims, and proofs of claim have been filed in a total amount greater than \$13,000. Given these circumstances, the Trustee does not feel that dismissal of the case is in the best interests of the creditors of the bankruptcy estate.

I agree with the Trustee that dismissal is not in the best interests of the bankruptcy estate's creditors. The Trustee has non-exempt property of the estate which, when liquidated, will provide a substantial dividend to creditors. An order will be entered denying the motion to dismiss.

Very truly yours,

A handwritten signature in black ink, appearing to read "F. Alley", written over a horizontal line.

FRANK R. ALLEY, III
Bankruptcy Judge